

SAPC- 15706
Copy 2 of 6

15 May 1957

The Wm-Woolbridge Corporation
Los Angeles, California

Gentlemen:

Reference is made to your CMCC Document No. 15LX5.490
requesting approval of excess per diem.

The undersigned is willing to accept excess per diem
for employees in a travel status on the same basis as the
AFCC. We understand that his policy is to accept the excess
portion for lodging, but has disapproved the portion relating
to meals, etc. The latter is charged to non-reimbursable over-
head, but the former is allocated through division overhead to
all division work including some on the project.

Attached is a listing of excess per diem costs for the
year ended 31 December 1956 which the undersigned hereby
approves.

Yours very truly,

25X1A

Contracting Officer
Contract No. A-101

25X1A

ATTACHMENT

SA/PC/DC [] f (5/15/57)

Distribution:

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SECRET

SAPC 15636
COPY 1 OF 1

8 May 1957 (2)

Dear George:

One of the matters covered in your letter of 5 April for Walt's attention was excess per diem. When Hank was back east, his discussion with Dan indicated that clarification was desirable.

The AFCO has approved established per diem rates for employees in a travel status. When payments related to AF work exceed the approved rates, the AFCO has given specific approval to the excess portion for lodging, but has disapproved the portion relating to meals, etc. The latter is charged to non-reimbursable overhead, but the former is allocated through division overhead to all division work including some on the project.

It is our understanding that you desire to treat excess per diem originating on the project in a similar manner.

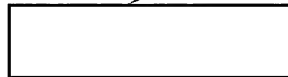
For the year 1956 the amounts involved are small; however, for your consideration we are inclosing a schedule which compares the recorded charges to the project (\$694.03) with the amount (\$446.00) derived from treatment comparable to the AF treatment.

If you desire that an adjustment be made, or if you approve the amount as charged, it is suggested that Bob be so advised with a copy for our file.

Sincerely,

25X1AB:11

1 Incl



Dan *25/11*

17/11/54

Encl #1
SAPC 15636
COPY / OF /EXCESS PER DIEM COSTSYear Ended 31 December 1956

	<u>As Recorded And Charged To Project</u>	<u>On Basis Consistent With AF Treatment</u>
Excess per diem on project:		
Lodging	\$106.85	\$103.95
Meals	224.02	-
Excess per diem on AF work allocated to project as overhead	304.09	304.09
Applicable G&A	<u>59.07</u>	<u>37.96</u>
	<u>\$694.03</u>	<u>\$446.00</u>

SECRETSAPC 14819
COPY 1 OF 1

5 April 1957

CMCC Doc No. 151X5.490

Copy 1 of 2

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Dear George:

During the periods April 11 to 15, 1956 and May 8 to 19, 1956 contractor personnel were engaged in flight tests of System No. 2 under operational conditions. Because the operating schedule and security restrictions prevented advance reservations to be made, contractor personnel who traveled with the aircraft incurred expenses for lodging and meals which were in excess of the per diem rates normally allowed for reimbursement by the Resident Air Force Contracting Officer.

The contractor's Travel Policy provides for employees to be reimbursed for all reasonable travel, transportation and miscellaneous expenses. For purposes of reimbursement to the contractor, the Resident Air Force Contracting Officer has approved certain maximum per diem rates to cover lodging, meals and valet expense. Travel costs in excess of the established per diem rates, and charged to overhead or directly to Air Force contracts, are reviewed by the Resident Air Force Contracting Officer and approved or disapproved depending on the reasons for the excess expense.

In the foregoing cases, the contractor charged all of travel costs which were considered to be reasonable directly to the project even though the expenses exceeded the normally allowable per diem rates. This action was considered to be appropriate in as much as the personnel concerned had little opportunity to be selective in their choice of accommodations as does the normal traveler. The auditor has suggested that excess travel costs charged directly to Contract No. A-101 should be approved by you.

The Contractor hereby requests your approval in this and similar cases for charging reasonable travel expenses in excess of per diem as direct charges when such travel is in support of a flight test program and the excess expenses are incurred because of the character of the test program. Such costs are still subject to audit for reasonableness as are other direct charges.

25X1A

Sincerely,

Bob

Bob

SECRET